

GAS COMPANIES PROTEST

CANT SEE THE NEED FOR
AND MORE INSPECTORS.

When Proposed to the Public Service Board, the gas companies have been told that they must have more inspectors.

Officials of the gas companies were wondering yesterday just how much more power Chairman Wilcox of the Public Service Commission desires the commission to have over the gas business.

In the letter written to Senator John Kiesel by Mr. Wilcox, published in this Sun, the chairman said that in order to make the 50-cent gas bill effective the amendments to the law suggested by the commission should be passed. Officers of the gas companies got the idea that the increased power sought by the commission would mean a decided increase in the force and salary list of the commission.

Said an officer of the Consolidated:

It would cost just about \$1,500 a day more for the inspection which it seems the Public Service Commission desires.

In the letter written by a citizen to Senator Kiesel, published in this Sun, it is suggested that the commission appoint an inspector at every distributing tank to supervise the distribution of gas and to see that nothing but gas is forced through the mains. Here are a few figures:

In the boroughs of Manhattan and The Bronx alone there are eighty-one gas holders and in the greater city about as many more. Should an inspector be appointed for each holder that would mean 180 inspectors. But the inspectors would have to work under the State law, so would not be on duty only eight hours. It would be necessary therefore to have three inspectors for every holder, or 480 men a day at a minimum wage of \$3 each. In actual figures \$1,440 a day for gas inspection.

It is estimated by the citizen writing to Mr. Kiesel that air is forced through the pipes. The law requires us to supply gas of not less than 22 candle power. As a matter of fact the gas that is manufactured by us is 23 candle power and to that and the gas that is forced through the pipes, 50,000 gallons of oil to bring the gas to the standard because an ordinary ton of coal produces about 10,000 cubic feet of gas of only 15 candle power. It is necessary therefore to use the oil.

Every day the gas is inspected according to the law at several places not less than a mile from the distributing tank, and should we supply gas of less than 22 candle power we would be liable to a fine of \$1,000 for the offense. The reports on file with the commission will show that the gas has never been below the standard.

In his letter Mr. Wilcox says that the commission should have the power to take up the complaint of a single person and not be required to wait for 100 persons or the Mayor to come before the commission. The present law, with 1,200,000 meters in use in the greater city it should not be a hard matter to get 100 consumers to make a joint complaint, if any complaint was necessary.

Our books and plants are open to inspection at all times and they are inspecting our meters every day.

At the office of Chairman Wilcox it was said that the main reason for publishing the correspondence between the chairman and Senator Kiesel was that last year Senator Kiesel voted against the proposed amendments to the public service law. The chairman thought that it would be interesting to the public to know the apparent change in the attitude of Senator Kiesel.

It was admitted that the commission is seeking more power and that a bill to amend the present law is being introduced at Albany. But the commission explains that it seeks only to get the same jurisdiction over the gas companies that it has over the railroads and the traction lines.

It was said that the commission did not contemplate an increase in the present force—the gas department now costs about \$80,000 a year for the reason that the work now being done seems satisfactory. There was probably no change in the quality of gas supplied, it was said, but it might be that at times more than necessary pressure was put on the gas.

The commission had adopted no order relating to pressure, because there had been no complaint bearing 100 signatures. At \$80,000 a year for the reason that the work now being done seems satisfactory.

The commission is testing about 30,000 meters each month, and since it came into being about 800,000 meters have been tested. There are a good many reasons why we get more and more meters right for the consumer. One of them is that many meters are old. The commission required the gas companies to remove old meters that have been in service more than three years, and it is probable that soon there will be issued an order requiring the removal of meters that have been six years of service.

TO ISSUE \$15,000,000 BONDS.

Lake Shore and Michigan Southern Railroad Applies for Authority.

ALBANY, Jan. 7.—The up-State Public Service Commission has received an application from the Lake Shore and Michigan Southern Railway Company for authority to issue \$15,000,000 of its fifteen year 4 percent gold bonds of 1906 and to guarantee \$11,000,000 of the bonds of the Jamestown, Franklin and Clearfield Railroad Company. The petition asks that the company now be engaged in extensive improvements of its property, additions to its property and facilities and desires to use the proceeds of the sale of the bonds for the acquisition of property, extension and improvement of the facilities.

The company has advanced to the Jamestown, Franklin and Clearfield Railroad Company big sums of money for additions and extensions of its property and has received \$11,000,000 bonds in part payment for this advance. In placing its guarantee upon the bonds the petition will be able to obtain a higher price for them than it could obtain without such guarantee. The Lake Shore and Michigan Southern Railway now owns \$94,550 par value of the capital stock of the Jamestown, Franklin and Clearfield Railroad Company and has leased the property for the term of its corporate existence.

Hogs Jump to \$9.05 in Chicago.

CHICAGO, Jan. 7.—Hogs again broke the record to-day when the price per hundredweight reached \$9.05. This is the second big jump within a few days, bringing the prices to figures higher than ever known in the stockyards in Chicago.

Lamb also advanced, \$6 per hundredweight being the latest quotation.

Mayflower Worst Mills Bankruptcy.

Boston, Jan. 7.—Schedules in bankruptcy were filed to-day in the United States District Court by the Mayflower Worst Mills of North Adams, which concern was petitioned into involuntary bankruptcy about a month ago. The liabilities amount to \$113,597, the assets are valued at \$86,408.

Indian Village Washed Away.

FLAGSTAFF, Ariz., Jan. 7.—A report reached here to-day that the entire Indian village of the Supai in Cataract Cañon had been destroyed by a wall of water twenty feet high that came down the cañon. Many Indians are missing and are supposed to have been lost in the flood.

GOSSIP OF WALL STREET.

A portion of the President's message which was of some speculative interest dealt with the attitude of the Administration toward the ownership by one railroad in the stock of a competitor. As this part of the message was understood the President has no objection to a railroad acquiring additional securities of a competing road in which it already has stock, but urges that if the investing road has no such control it should be prevented from getting it. This passage brought out anew the Street's explanation for the recent strength in Southern Pacific, as well as that yesterday in Norfolk and Western. The Union Pacific holds about 45.8 per cent. of Southern Pacific's stock, while Pennsylvania has \$2,000,000 of Norfolk and Western's \$7,400,000 stock capitalization.

The market's attitude toward the furnishing of Samuel Gompers against the United Steel Corporation was reflected in the action of the common, which opened at the above closing price of the day before.

Additional evidence of phenomenal activity in the iron and steel industry of the country was given in the consolidation by the Iron Age of the December output of pig iron. For the closing month of the year this output reached the enormous total of 2,835,000 tons, giving a daily average production of 93,222 tons. The previous record for the month was 2,541,000 tons, now broken in four consecutive months. The compilation for the year shows a total output of 25,338,154 tons, as against 15,938,018 tons in 1908 and 25,781,381 tons for the record breaking year of 1907.

There is every likelihood that there will be new financing by the Baltimore and Ohio in the near future. This road has just bought the Chesapeake and Potomac ferries at auction for \$10,000,000, and this sum together with the amounts which must be spent upon the property to bring it up to the highest efficiency, plus the interest on the new bonds, makes a "margin" which will probably enable the B. & O. calling on the bankers for about \$25,000,000. The financing will probably take the form of a bond issue to be brought out next February.

If the known movements of money can be taken as the controlling factor in the rates for rail money locally, there would seem to be some indication that this form of accommodation will be substantially easier next week. The operations of the banks this week indicate a cash gain of \$10,041,000, of which net receipts from the interior amount to some \$8,791,000, while the net receipts from the coast are \$1,250,000. Such is the tenor of an announcement made to-day by the receivers of the Chicago Subway Company following a conference in which a tentative contract was made for the immediate installation of a minimum of 20,000 telephones in the city at a cost of \$2,500,000.

While this is the smallest equipment that can comply with the terms of the telephone franchise held by the Illinois Tunnel Company, subsidiary to the Chicago Subway Company, it is predicted confidently that the powers behind the new undertaking will create a system that will adequately cover the local field. Presently the telephone exchange is in the office of President E. A. Potter of the American Trust and Savings Bank, were Charles G. Daman and David R. Forgan, receivers of the Subway company, are in the office of the American Trust and Savings Bank, representing the Armour and the Armour interests; William Stuart Tod, representing A. G. Wheeler, C. Hotchkiss and C. O. Frick of the Illinois Tunnel Company.

The contract received was described as "tentative" because of the absence from the conference of Mr. Potter, who was called to New York, and Harry DeForest, representative of the E. H. Harriman estate, who also is in the East. Both are, however, said to be fully in sympathy with the steps taken.

CAPITALIZE FOREIGN PLANTS.

Harvester Co. Likely to Give Its Stockholders Some Shines of Melon.

CHICAGO, Jan. 7.—It is conceded that the International Harvester Company will capitalize its foreign plant investments, which have been made very largely out of the corporation's earnings, but when the step will be taken has not been decided upon. It is believed in some quarters that the scheme will be announced at the annual meeting April 21.

The plan as it now stands is said to involve the declaration of a stock dividend, and if it is decided to cover by such distribution all the expenditures made and arranged up to the present time, the amount of new issue of stock will be less than \$10,000,000. There are five foreign plants of the company. They are located in Sweden, Canada, Germany, France and Russia. The value of these plants, based upon expenditures, is estimated as follows: Russia, \$4,000,000; Canada, \$2,100,000; Sweden, \$2,674,707; Germany, \$300,000; France, \$300,000; total, \$9,074,707.

It is figured that if issued upon these valuations the stockholders would receive a stock dividend of about 7.5 per cent.

MONEY SUNK IN THE MINE.

Ordway Said Things Woodward Told Him Weren't So.

R. Graham Woodward, a public accountant with an office at 25 Broad street, was before Magistrate Harris in the Tombs court yesterday upon a summons sued out by Aaron P. Ordway, a manufacturing chemist at 443 West Thirty-seventh street, who charged grand larceny.

Mr. Ordway alleged that on March 21, 1908, Woodward induced him to invest \$5,000 in the Accord silver mine near Georgetown, Col., by representing that a mill costing \$4,000 had been built at the mine and that the mine was rich in silver. These samples, it is alleged, averaged \$500 a ton.

Edith Ordway, daughter of the complainant, testified that Woodward made the representations to her father in his presence.

It was shown that Ordway had previously invested \$4,000 in the mine and that complicated litigation is pending between him and Woodward.

The defendant denied having made the representations alleged. Before the cross-examination was over Magistrate Harris adjourned the hearing until next Wednesday.

CHAMPAGNE TRUST.

Deal on Foot to Consolidate All the Cellars in the United States.

OWNERS OPPOSE DIVIDEND.

Pittsburg Coal Shareholders Want Plants Improved—Harriman Control Matters.

PITTSBURG, Jan. 7.—There was a conference among a score of stockholders of the Pittsburg Coal Company here this afternoon and attorneys were instructed to report on the advisability of asking an injunction against paying the 15 per cent. dividend on preferred stock which was announced here some days ago.

The stock owners protest against the dividend on the ground that the money thus to be paid should be used in improvements of the property, which they say is badly run down.

That the \$300,000 required for a dividend is being used as a campaign fund by the present management to induce holders of stock to refrain from selling to the purchasing syndicate that recently has been active, thus possibly continuing in power the present control, was the sense of the meeting held to-day.

It was said to-day that the late E. H. Harriman had planned to get hold of the Pittsburg Coal Company as a source of tonnage for the Wabash Railroad in the Pittsburg district and that this was one of the conditions under which he consented to rehabilitate the Wabash terminus here.

Quiet purchase of the preferred stock had begun by the Harriman agents previous to his fatal illness. His death for a time checked the plan, but it was resumed, and shortly afterward the Gould interests entered into an agreement with Judge Lovett, successor to Mr. Harriman, to follow the ideas which Mr. Harriman had with reference to controlling the coal of the Pittsburg district and purchases of Pittsburg Coal stock was resumed. The first purchases were at 40 and the second at 50, and the third at 60, and at 84, the price of preferred in Pittsburg to-day.

The common stock, which has equal voting power with preferred, has been bought approximately 25 per cent. and is supposed to be the Gould agents here assert that they have at least 30,000 shares of common and preferred, which will be control at the coming annual meeting.

INDEPENDENT PHONE SYSTEM.

Chicago Subway Interests Plan Rival for Chicago Telephone Co.

CHICAGO, Jan. 7.—Chicago is to have a big independent telephone system covering the city, affording long distance lines and constituting a formidable rival of the Chicago Telephone Company. It is predicted that the tenor of an announcement made to-day by the receivers of the Chicago Subway Company following a conference in which a tentative contract was made for the immediate installation of a minimum of 20,000 telephones in the city at a cost of \$2,500,000.

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Deal on Foot to Consolidate All the Cellars in the United States.

EMPIRE
DISTRICT ELECTRIC COMPANY.

Henry L. Doherty, President.

Yielding
Bonds 6.4%
Preferred 7.9%

A strong proposition that will show the investor exceptional profit at present prices.

Circular on request.

Bonds. Stocks. New York.

60 Wall St. Phone 5621 John.

Williams, McConnell & Coleman.

LA FOLLETTE'S VEILED THREAT.

Will Support Taft So Long as He Follows Progressive Policy.

MADISON, Wis., Jan. 7.—A signed statement by Senator La Follette in the issue of his magazine to appear to-morrow will definitely commit the Senator to opposition to President Taft whenever he compromises on progressive policies. The threat is implied, not direct. The statement says in part:

On March 4 President Roosevelt committed the great work of his Administration, finished and unfinished, to his successor. President Taft formed a new Cabinet, some of whom had not been in sympathy with that work. He aided in the election of Cannon as Speaker of the House of Representatives. Cannon, Aldrich and their associates became his close advisers on legislation.

The people are not satisfied with the tariff legislation. They are shocked at the charges made in the Alaskan coal scandal. They have not lost faith yet. They are still waiting—hoping.

But the people of the country are progressive, East as well as West. They will tolerate no retreat, no compromise on progressive policies. La Follette will support the President in every effort which he puts forth to secure legislation in the public interest.

We too are waiting daily, hoping. No omniscience of position in party or government shall protect a servant of the people from deserved criticism.

Move for Uniform Demurrage.

INDIANAPOLIS, Jan. 7.—The State Railroad Commission to-day took the initiative in adopting the uniform demurrage rules of the national committee on uniform demurrage. The rules will become effective on March 1.

MARINE INTELLIGENCE.

MINUTEMEN ALMANAC THIS DAY.
Sun rises, 7:20; sets, 5:40. Moon rises, 4:49. HIGH WATER THIS DAY.
Sandy Hook 5:04; Gov. Island 5:36; Hell Gate, 5:29.

ARRIVED—FRIDAY, JANUARY 7.

St. Adriatic, Southampton, Dec. 29.
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ARRIVED—SATURDAY, JANUARY 8.

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ARRIVED—WEDNESDAY, JANUARY 12.

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ARRIVED—THURSDAY, JANUARY 13.

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ARRIVED—FRIDAY, JANUARY 21.

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ARRIVED—SATURDAY, JANUARY 22.

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St. Adriatic, Southampton, Dec. 29.

The Farmers' Loan and Trust Company.

Nos. 16, 18, 20 & 22 William Street.

Branch Office, 475 Fifth Avenue.

New York.

LONDON, 18 Bishopsgate St. Within.

PARIS, 41 Boulevard Haussmann.

Travelers' Letters of Credit. Foreign Exchange.

Administrator Guardian

REPORT OF THE CONDITION OF THE

Franklin Trust Company

on the morning of the first day of January, 1910.

RESOURCES.

Bonds and mortgages.	\$67,400.00
Stocks and bonds.	703,415.70
Public securities (book value, \$600,000; market value, \$600,000).	1,354,420.00
Other securities (book value, \$1,354,420.00; market value, \$1,354,420.00).	2,708,840.00
Real estate.	556,741.70
Loans.	608,200.17
Due from banks, companies, banks and bankers.	1,313,811.17
Legal tender notes and notes of national banks.	166,128.00
Other assets.	4,701.77
Fulton Street office, construction account.	48,841.54
Accrued interest, etc., not entered.	\$1,844,750.25
Total.	\$11,000,000.00

Capital stock.	\$1,000,000.00
Surplus, including all undivided profits.	1,012,243.22
Preferred deposits.	\$1,012,243.22
Deposits (not preferred).	2,686,556.81
Certificates of deposit.	2,686,556.81
Due from banks, companies, banks and bankers.	546,412.22
Other liabilities.	11,352,253.87
Unpaid dividends.	\$54,000.00
Unpaid interest.	184,583.04
Reserve for taxes and	13,710.00
Accrued interest not entered.	47,118.15
Total.	\$11,000,000.00

State of New York, County of Kings, ss: ARTHUR KING WOOD, President, and CLINTON W. LITTLE, Secretary, of the Franklin Trust Company, located and doing business at No. 16, 18, 20 and 22 William Street, Borough of Manhattan, City of New York, being duly sworn, each for himself, says that the foregoing report is a true and correct statement of the condition of the company as of the first day of January, 1910, as the day of which such report shall be made.

ARTHUR KING WOOD, President.
CLINTON W. LITTLE, Secretary.
JOSEPH E.